

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Firm-Fixed-Price		Page 1 Of 7	
2. Amendment/Modification No. P00004		3. Effective Date 2004JUN03		4. Requisition/Purchase Req No. SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By TACOM WARREN BLDG 231 AMSTA-AQ-AHPC JEFF SIMONIS (586)574-3952 WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL EMAIL: SIMONISJ@TACOM.ARMY.MIL		Code W56HZV		7. Administered By (If other than Item 6) DCMA DETROIT U.S. ARMY TANK & AUTOMOTIVE COMMAND (TACOM) ATTN: DCMAE-GJD WARREN, MI 48397-5000		Code S2305A	
				SCD B PAS NONE ADP PT HQ0337			
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) GENERAL DYNAMICS LAND SYSTEMS MUSKEGON 76 GETTY STREET MUSKEGON, MI. 49442-1238 TYPE BUSINESS: Large Business Performing in U.S.				<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. DAAE07-03-D-N118 10B. Dated (See Item 13) 2003OCT16	
Code 02978		Facility Code					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA							
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14.							
<input type="checkbox"/> A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.							
<input type="checkbox"/> B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).							
<input checked="" type="checkbox"/> C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: Mutual Agreement of the Parties							
<input type="checkbox"/> D. Other (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION							
Contract Expiration Date: 2007OCT09							
Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print) ELLEN DENNIS DENNISE@TACOM.ARMY.MIL (586)574-8056			
15B. Contractor/Offeror (Signature of person authorized to sign)		15C. Date Signed		16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)		16C. Date Signed 2004JUN03	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

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SECTION A - SUPPLEMENTAL INFORMATION

DAAE07-03-D-N118, Modification P00004

The purpose of this modification is to incorporate the agreed to , NON-CONFORMING REVIEW AND DISPOSITION clause into this contract. This modification's changes shall apply to all delivery orders already issued prior to this modifications signature and shall apply to all future delivery orders placed against this contract.

The following changes have been made to this contract:

1. Section E clause, E.6, INTERIM CLAUSE FOR NON-CONFORMING REVIEW AND DISPOSITION AND REDUCED PROGRESS PAYMENT RATE, has been deleted from this contract. In addition, this clause has been deleted from Section A clause, 52.204-4850, ACCEPTANCE APPENDIX.
2. Section E clause, E.6, NON-CONFORMING REVIEW AND DISPOSITION, has been added to this contract. In addition, this clause has been added to Section A clause, 52.204-4850, ACCEPTANCE APPENDIX.
3. Section H clause, FAR 52.232-16, PROGRESS PAYMENTS, at paragraphs (a)(1), (a)(6), and (b), the progress payment rate has changed from 70% to 80%. In addition, this change has been updated in Section A clause, 52.204-4850, ACCEPTANCE APPENDIX.

All other terms and conditions remain unchanged.

*** END OF NARRATIVE A 005 ***			
Status	Regulatory Cite	Title	Date
A-1 CHANGED	52.204-4850 (TACOM)	ACCEPTANCE APPENDIX	FEB/2002
020b06040202020204 020b06040202020204			
(a) Contract Number DAAE07-03-D-N118 is awarded to General Dynamics Land Systems Muskegon.			

(b) UNDEFINITIZED CONTRACTUAL ACTIONS: This contract is issued prior to definitization of the unit prices for the items described herein in order that the U.S. Government may issue undefinitized delivery order(s) to require commencement of work immediately. The following clauses are incorporated and apply to any orders issued prior to definitization:

Section H:

FAR 52.232-16, (Alternate II, dated March 2000) Progress Payments. The amount of unliquidated progress payments allowed shall be specified in individual delivery order. The effective progress payment rate that applies to orders issued under this contract is 80%, (see Clause E.6, Interim Clause for Non-conforming Review and Disposition and Reduced Progress Payment Rate.)

Section I:

FAR 52.216-23, dated 1 Apr 84, Execution and Commencement of Work

FAR 52.216-24, dated 1 Apr 84, Limitation of Government Liability

DFARS 252.217-7027, dated 1 Oct 98, Contract Definitization

- (c) The following changes to the original solicitation provisions are incorporated into the contract:
- Section B, Adds prices for HMPT 500-3ECA Transmissions when the GFM is the HMPT 500-EC.
- Section C, Scope of Work is revised.
- Section E, 52.246-4025, HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT -- TACOM QUALITY SYSTEM REQUIREMENT: ISO 9001:2000
- Section E, 52.246-4028, INSPECTION POINT: General Dynamics Land Systems-Muskegon Operations
78 Getty Street
Muskegon, Michigan 49442
- Section E, E.6, INTERIM CLAUSE FOR NON-CONFORMING REVIEW AND DISPOSITION AND REDUCED PROGRESS PAYMENT RATE , is replaced by E.6:
- E.6 NON-CONFORMING REVIEW AND DISPOSITION:
- E.6.1 Material Review Board (MRB)

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E.6.1.1 MRB authority is granted to the contractor based on internal ISO 9001-2000 compliant procedures that define the Corrective Action and Disposition System for Nonconforming Material. The following conditions and limitations apply.

E.6.1.2 The contractor is authorized to perform material review actions on minor nonconforming product (Use as is (UAI) and repair). The contractor shall have corrective action and disposition authority for all minor nonconformances found during the assembly, subassembly, and test activity, that does not affect unit performance/function, interface, or safety.

E.6.1.3 The contractor shall use only previously approved UDLF or U.S. Government standard repair procedures. A standard repair procedure may be submitted to the U.S. Government for review and approval. The standard repair procedure shall be utilized to identify typical manufacturing processing deficiencies, the repair methods, and procedures to correct each deficiency type. The use of standard repairs shall not preclude the contractor from performing corrective action to eliminate the standard repair usage. The repair procedure must include instructions for reprocessing material after completion of repairs, specifying all required contract inspection activities. Upon approval, the standard repair procedure may be used during minor MRB actions performed by the contractor and does not require U.S. Government approval each time it is applied.

E.6.1.4 All nonconforming material that may effect unit performance, interchangeability, reliability, maintainability, health/safety, shall be considered a major discrepancy. A major waiver or deviation shall be submitted to the U.S. Government for review and approval prior to the nonconformance disposition. The nonconformance submittal to the U.S. Government shall be accompanied by the contractors written engineering analysis and recommended disposition.

E.6.1.5 The contractor shall provide to the U.S. Government a quarterly analysis for all MRB actions performed on U.S. Government products. The analysis shall include nonconformance quantities, types, and recurrence trends for all MRB actions including standard repairs.

The contractor shall make every effort to reduce recurring deficiencies where standard repairs are being utilized. If the use of a standard repair is considered repetitive, the contractor shall implement positive corrective action to eliminate occurrence. All material review board documentation shall be maintained at the contractor's facilities and be made available for review upon request.

Section F, 52.242-4457, DELIVERY SCHEDULE FOR DELIVERY ORDERS: GDLS will deliver a minimum of 20 units per month but can deliver up to a maximum of 25 units per month beginning 365 days after delivery order date. Prior PCO approval is required to accelerate the schedule.

Section F, DELIVERY OF GOVERNMENT FURNISHED MATERIAL, is changed to indicate that the Govt furnished material may be either HMPT 500-3 Transmissions, NSN 2520-01-274-6449, or HMPT 500-3EC Transmissions, NSN 2520-01-338-2703, or a mix of both, in metal shipping containers and shall be delivered to GDLS Muskegon Operations 120 days prior to the required delivery date. Each delivery order will identify the configuration of the GFM that will be provided.

Section H, EQUITABLE ADJUSTMENT FOR BREAK IN PRODUCTION, as it applies to transmission production, is incorporated into the contract.

Section I, FAR 52.243-6, CHANGE ORDER ACCOUNTING (Apr 1984), is added.

Section I, DFARS 252.243-7002, REQUESTS FOR EQUITABLE ADJUSTMENT (1 Mar 1998), is added.

Section J, identifies Attachments 1 - 4 to the contract.

(d) Rent-free use, on a noninterference basis, of Government owned equipment is authorized for production of the end items under this contract.

(e) Any attachments not included with this document will be provided by TACOM-Warren directly to the administrative contracting officer (ACO) via e-mail. A hard copy of the award will be sent to those ACOs not EDW (Electronic Document Workflow) capable. Technical data packages will be mailed by TACOM-Warren to the ACO on CD-ROM. Within one week of this award, any office not able to obtain these attachments from TACOM's website (<http://contracting.tacom.army.mil/>) and still requiring a copy, can request it by sending an e-mail message to the buyer listed on the front page of this contract.

(d) The following Amendment(s) to the solicitation are incorporated into this contract: 001.

[End of Clause]

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SECTION E - INSPECTION AND ACCEPTANCE
020b06040202020204E.1 NOT USED

E.2 HARDWARE INSPECTION POINT

E.2.1 Government Procurement Quality Assurance Inspection for compliance of the products to the applicable drawings and specifications shall be made at the following contractor/sub-contractor facility:

CONTRACTOR'S PLANT: GDLS, 76 Getty Street, Muskegon, MI 49442

SUBCONTRACTOR'S PLANT: _____

E.3 HARDWARE ACCEPTANCE POINT

E.3.1 Acceptance of the products by the government shall be made at the address shown in E.2.1.

E.4 QUALITY MANAGEMENT

E.4.1 The contractor shall update and maintain a Quality Program in accordance with MIL-Q-9858A or ISO 9001:2000.

E.4.1.2 Product Quality Assessments shall be an on-going effort and utilize government generated Test Incident Reports, Quality Deficiency Reports, contractor material review board actions, Statistical Process Control data, and defect documentation to determine potential areas for quality improvement.

E.4.1.3 Where sampling is allowed, the contractor shall implement procedures to comply with C=0 Sampling Plan or an equivalent plan that allows zero defects.

E.4.1.4 All soldering shall be in accordance with J STD-001B. (At Tallahassee, FL, Class 2 of J STD-001B is acceptable to the Government.)

E.5 GOVERNMENT SURVEILLANCE

E.5.1 Authorized Government representatives shall have the right to survey the contractor's facilities, inspect the product, witness contractor inspection and tests, and evaluate the inspection system. Surveillance may extend from the contractor's sources of supply to the shipment of the product.

E.6 NON-CONFORMING REVIEW AND DISPOSITION:

E.6.1 Material Review Board (MRB)

E.6.1.1 MRB authority is granted to the contractor based on internal ISO 9001-2000 compliant procedures that define the Corrective Action and Disposition System for Nonconforming Material. The following conditions and limitations apply.

E.6.1.2 The contractor is authorized to perform material review actions on minor nonconforming product (Use as is (UAI) and repair). The contractor shall have corrective action and disposition authority for all minor nonconformances found during the assembly, subassembly, and test activity, that does not affect unit performance/function, interface, or safety.

E.6.1.3 The contractor shall use only previously approved UDLF or U.S. Government standard repair procedures. A standard repair procedure may be submitted to the U.S. Government for review and approval. The standard repair procedure shall be utilized to identify typical manufacturing processing deficiencies, the repair methods, and procedures to correct each deficiency type. The use of standard repairs shall not preclude the contractor from performing corrective action to eliminate the standard repair usage. The repair procedure must include instructions for reprocessing material after completion of repairs, specifying all required contract inspection activities. Upon approval, the standard repair procedure may be used during minor MRB actions performed by the contractor and does not require U.S. Government approval each time it is applied.

E.6.1.4 All nonconforming material that may effect unit performance, interchangeability, reliability, maintainability, health/safety, shall be considered a major discrepancy. A major waiver or deviation shall be submitted to the U.S. Government for review and approval prior to the nonconformance disposition. The nonconformance submittal to the U.S. Government shall be accompanied by the contractors written engineering analysis and recommended disposition.

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E.6.1.5 The contractor shall provide to the U.S. Government a quarterly analysis for all MRB actions performed on U.S. Government products. The analysis shall include nonconformance quantities, types, and recurrence trends for all MRB actions including standard repairs.

The contractor shall make every effort to reduce recurring deficiencies where standard repairs are being utilized. If the use of a standard repair is considered repetitive, the contractor shall implement positive corrective action to eliminate occurrence. All material review board documentation shall be maintained at the contractor's facilities and be made available for review upon request.

E.7 ACCEPTANCE

E.7.1 Each HMPT 500-3ECA Transmission will be subjected to the QCI tests and inspections of specification 12446602. Conditional acceptance will be based on compliance to all requirements of specification 12446602, and this contract; see the Control Test requirement at Provision E.8.3.

E.7.1.1 All production related deficiencies discovered by the contractor or the government during the manufacturing process or final acceptance testing shall be corrected, at no additional cost to the government, prior to final acceptance by the government.

E.8 TEST

E.8.1 COMPARISON PRODUCTION TEST

E.8.1.1 The Government reserves the right to conduct a government test of the product delivered under this contract at the vehicle level to verify no degradation in product performance. Test costs will be borne by the government. The contractor, at no cost to the government, shall be responsible for the correction of any deficiencies found during this testing.

E.8.2 FIRST ARTICLE TEST

E.8.2.1 First Article Testing (FAT) is not required for production start-up.

E.8.2.2 A First Article Test or portion thereof may be ordered by the Contracting Officer, in writing, when a) a major change is made to the Technical Data Package, b) whenever there is a lapse in production of 180 days or more due to no requirement to deliver BFVS Transmissions (new build or re-manufacture), or c) whenever a significant change is made to the production manufacturing process, major change in a source of supply, or a change in production facilities. Whenever a First Article test is ordered as a result of conditions (a) or (b) the government will be responsible for test costs. When a First Article Test is ordered by the Contracting Officer as a result of condition (c), the contractor is responsible for the test costs.

E.8.2.3 If a test is required, the contractor shall modify existing test plans. The contractor shall submit, in contractor format, test reports to the Contracting Officer within 30 days of test completion.

E.8.3 CONTROL TESTING - Level B

E.8.3.1 A modified control test shall be required for these transmissions IAW product specification 12446602, Rev F. One transmission shall be tested. One control test will be performed on a unit selected by the Government QAR from approximately the mid-point of the delivery order production quantity per delivery order. Until successful completion of the control test, the Government will conditionally accept units. Any failures identified during control testing will be corrected on all units. Acceptance becomes final upon successful control test and correction of any deficiencies identified. If a concurrent control test is required on any other contract or order for ECA transmissions, notify the PCO to determine if the requirement and cost for the control test under this contract can be removed. Any issues/corrective actions resulting from concurrent control testing shall apply to the units produced under this contract at no additional cost to the Government.

E.8.3.1.1 The transmission control test, identified in Provision E.8.3.1, is modified to delete the following tasks:

- A. Output Power task, 3.3.2.2
- B. Static Holding Torque task, 3.3.6.1
- C. Dynamic Decelerating Torque task, 3.3.6.2
- D. Command Speed Schedule task, 3.3.9.1.1
- E. Slope Operation task, 3.3.15
- F. Steam/Waterjet Cleaning task, 3.4.2
- G. Electro-magnetic Radiation task, 3.5

E.8.4 NON-DESTRUCTIVE/DESTRUCTIVE TESTING

E.8.4.1 In those instances where non-destructive testing/inspection is required by drawing or specification requirements, the design and execution of non-destructive testing/inspection shall be performed by personnel trained and certified in accordance with MIL-STD-410

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or ASMT-DP189 (Standard for Qualification and Certification in Non-destructive Testing Personnel).

E.8.5 ENVIRONMENTAL STRESS SCREENING

E.8.5.1 The contractor shall perform full ESS as required by the sub-component transmission drawing.

E.9 GOVERNMENT INSPECTION AT RECEIPT OF GFM

Upon receipt of the GFM transmissions, all units will be subject to external inspection, as a minimum, by the Government QAR who will maintain a record of the condition of these units upon arrival at contractor's facility and use this information for verification of the number of unserviceable units.

*** END OF NARRATIVE E 001 ***

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SECTION H - SPECIAL CONTRACT REQUIREMENTS

SECTION H - CLAUSE CHANGE:

FAR 52.232-16, Progress Payments is changed to indicate that the effective progress payment rate is 80% for this contract.

*** END OF NARRATIVE H 002 ***